

ITEM NO. 8

STAFF REPORT

DATE: JANUARY 17, 2012
TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: ROD FOSTER, CITY MANAGER
PREPARED BY: MARK TOMICH, DEVELOPMENT SERVICES DIRECTOR
SUBJECT: MOBILE HOME RENT REVIEW COMMISSION DUTIES

RECOMMENDED ACTION

It is recommended that the City Council approve and adopt Resolution No. R-04-12 to temporarily delegate Rent Review Commission duties to the Code Enforcement and Housing Advisory Appeals Board ("CEHAAB"), and direct staff to return with an amendment to CMC Section 15.48 to authorize permanent delegation of Rent Review Commission duties to CEHAAB.

GOAL STATEMENT

The proposed action will support the City's goal to ensure compliance with municipal codes and regulations.

BACKGROUND

In 1989, the City Council adopted a Mobilehome Park Rent Stabilization Ordinance (Ord. 0-19A-89 § 1.01) to, in part, "protect mobilehome owners from unreasonable rent increases."¹ The Ordinance essentially limits annual rent increases to a maximum of sixty percent (60%) of the percentage change in the consumer price index per year. The Ordinance also established a "Rent Review Commission" to hear concerns and disputes regarding implementation of the Ordinance, including "petitions for rent decrease" and "petitions for special rent adjustment" (CMC Section 15.48.360-390).

The Rent Review Commission met infrequently during the 1990s; the last documented meeting being held on December 5, 2001. Terms for the last Commissioners appear to have expired in December 2004. In July 2011, staff was contacted by residents of Reche Canyon Mobile Estates regarding rent adjustments that residents argue are in excess of increases permitted by the Rent Stabilization Ordinance. Initial contacts and meetings with residents were followed by a petition signed by twenty-six residents appealing the rent increases. Staff has met with both residents and management company representatives with the objective of resolving the dispute. In response to instructions from City staff, the management company has adjusted rents to achieve

¹ CMC Chapter 15.48, Section 15.48.020(C)

compliance with the Rent Stabilization Ordinance. Therefore, the concerns of the petitioners (i.e. rents have been increased in excess of increases permitted by the Rent Stabilization Ordinance) have been addressed. This has been communicated in writing to the petitioners; however, the petitioners have not withdrawn their appeal and seek to be heard by the Rent Review Commission.

ISSUES/ANALYSIS

The City has received its first petition in ten years to appeal rent increases, to which it must respond in accordance with the Rent Stabilization Ordinance. Due to the infrequent demand for hearings before the Rent Review Commission, a reconstituted Commission may not be warranted. An option provided in attached Resolution No. R-90-11 would temporarily delegate Commission duties to the CEEHAB, followed by an amendment to the Ordinance to permanently reassign Commission duties to CEEHAB. Due to the code enforcement and housing-related issues that come before the CEHAAB, the CEHAAB may be the appropriate body to hear and act upon mobilehome rent appeals on both an interim and permanent basis.

Due to ambiguity of original adoption process for the Rent Stabilization Ordinance (e.g. adopted by initiative, referendum and/or City Council action), staff had been uncertain whether Commission duties could be delegated, and whether the Ordinance could be amended without a vote of the people. The City Attorney has reviewed records of the original Ordinance adoption process and concluded that, because the Ordinance was adopted through the referendum process, the City Council retains the authority to amend it without a new vote of the people. Therefore, staff is proceeding with a recommendation to reassign Rent Review Commission duties to the CEHAAB.

As an alternative to amending the Ordinance, the City Council may wish to reconstitute the Rent Review Commission. This option would follow the appointment procedures and terms (two years) as provided in the existing Ordinance. Additionally, the City Council may choose to assume the role of the Rent Review Commission itself.

FISCAL IMPACTS

There are no direct fiscal impacts associated with the action.

ALTERNATIVES

1. Direct that Rent Review Commission be re-activated, and proceed with Commission appointments.
2. Direct that the City Council become the Rent Review Commission.
3. Provide alternative direction to staff.

ATTACHMENTS

1. City Council Resolution No. R-04-12

1
2 **RESOLUTION NO. R-04-12**

3 **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLTON,**
4 **CALIFORNIA, DELEGATING DUTIES OF MOBILEHOME RENT REVIEW**
5 **COMMISSION TO THE CODE ENFORCEMENT AND HOUSING ADVISORY**
6 **APPEALS BOARD**

7 **WHEREAS**, pursuant to Section 15.48.060 of the Colton Municipal Code, the Rent
8 Review Commission was established to, among other things, hear and consider requests for
9 rent adjustments in mobilehome parks within the City; and

10 **WHEREAS**, the Rent Review Commission has been unable to meet due to a lack of a
11 quorum for several years; and

12 **WHEREAS**, the City recently received a request for rent adjustment at a mobilehome
13 park within the City; and

14 **WHEREAS**, to provide a hearing body to consider requests for rent adjustments, the
15 City Council desires to delegate the duties of the Rent Review Commission, as set forth in
16 Chapter 15.48 of the Colton Municipal Code, to the Code Enforcement and Housing Advisory
17 Appeals Board, which meets as needed to review issues relating to compliance with housing
18 and zoning codes; and

19 **WHEREAS**, the City Council intends to consider an amendment to Section 15.48.060
20 of the Colton Municipal Code to designate the Code Enforcement and Housing Advisory
21 Appeals Board as the body appointed to hear matters concerning mobilehome rent control as
22 specified in Chapter 15.48 of the Colton Municipal Code.

23 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COLTON**
24 **DOES HEREBY RESOLVE AS FOLLOWS:**

25 SECTION 1. Incorporation of Recitals. The City Council hereby finds and determines
26 that the recitals of this Resolution are true and correct and are hereby incorporated into this
27 Resolution.
28

SECTION 2. The City Council hereby delegates the duties of the Rent Review Commission, as specified in Chapter 15.48 of the Colton Municipal Code, to the Code Enforcement and Housing Advisory Appeals Board. The Code Enforcement and Housing Advisory Appeals Board is hereafter authorized to consider requests for rent adjustments filed by a mobilehome park owner and/or a mobilehome tenant and all other powers and duties conferred upon the Rent Review Commission in Chapter 15.48 of the Colton Municipal Code.

SECTION 3. Effective Date. This Resolution shall become effective upon its adoption.

SECTION 4. California Environmental Quality Act. The City Council hereby finds that this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) [the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment] and 15060(c)(3) [the activity is not a project as defined in Section 15378] of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because this action has no potential for resulting in physical change to the environment, directly or indirectly. Therefore, no further environmental assessment is required.

PASSED, APPROVED AND ADOPTED THIS _____ DAY OF _____, 2012.

SARAH S. ZAMORA
Mayor

ATTEST:

EILEEN C. GOMEZ, CMC
City Clerk